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METROPOLITAN WASHINGTON, D.C.

AREA LABOR SUMMARY

THE D.C. DEPARTMENT OF EMPLOYMENT SERVICES

DATA FOR AUGUST 1987 — NOVEMBER 1987

D.C. Unemployment Down Significantly Over-the-Year

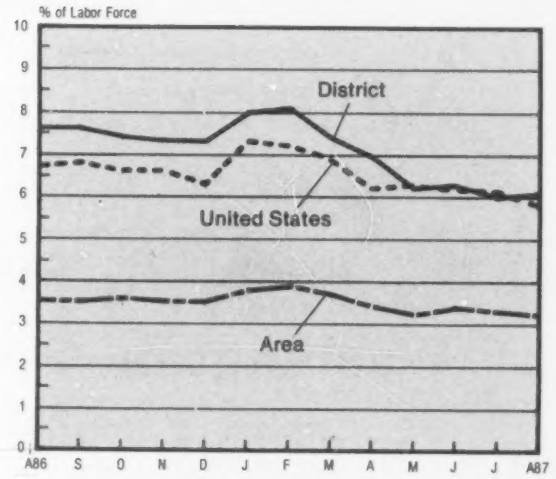
Area Job Growth 2.7%

Labor Force

The District

The Labor market status of District residents remained relatively unchanged between July and August. Seasonal workers (1,600) terminated their summer employment and withdrew from the labor market to begin preparation for a return to the classroom. The number of unemployed in the City remained unchanged over the month, but because of the small shrinkage in the size of the labor force, the unemployment rate in August increased a tenth of a percentage point to 6.1 percent.

Unemployment Rates
August 1986 to August 1987



Significant labor market changes, however, have occurred over the past year in the District as the unemployment rate plunged a full percent and a half—from 7.6 in August last year to 6.1 this August. There are now 21,200 more District residents with jobs (an increase of 6.7 percent) and 4,000 fewer unemployed (a decrease of 15.5 percent). As a result, the economy has been able to absorb an influx of 17,200 new District workers and still produce an impressive reduction in the rate of unemployment.

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Government of the District of Columbia
Marion Barry, Jr., Mayor

Department of Employment Services
F. Alexis H. Roberson
Director

The Department of Employment Services

Working to keep Washington working.

METROPOLITAN WASHINGTON, D.C.

AREA LABOR SUMMARY

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DATA FOR AUGUST 1987 NOVEMBER 1987

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The *Area Labor Summary* is published monthly by the D.C. Department of Employment Services, 500 C Street, N.W., Washington, D.C. 20001. The Division of Labor Market Information and Research (Richard Groner, Chief) prepares the *Summary*. The following staff members have contributed to the publication and development of data herein: Charles Roeslin, Rufus Daniels, Eileen Dent, Nancy Anderson-Grant, Elsie Taylor, and Gwendolyn Thompson; and administrative support was provided by Robin McDonald.

Inquiries and requests for labor market information may be obtained by writing to the above address, or by calling: (202) 639-1641 or 639-1642.

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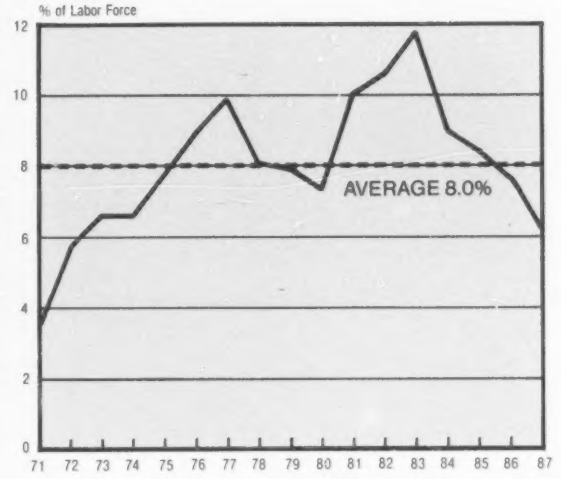
Historically, these changes are also impressive. Over the past 16 years the unemployment rate in the District has averaged 8.0 percent for the month of August, so this year's rate indicates strong structural improvements in the labor market.

District Unemployment Rates in the Month of August 1971-1987



Through the first eight months of this year, the District's unemployment rate has averaged 6.9 percent, down from the 7.7 percent level for all of 1986 and down from the record high of 11.7 percent set only four years ago in 1983. If the rate remains at its current level through the four remaining months of this year, it will mark the lowest annual average in the City since the 6.0 percent level of 1974.

The seasonally unadjusted unemployment rate for civilian workers in all of the United States was 5.8 percent in August—only slightly below the District's.

The Area & Suburbs

As in the District, the Suburban labor force also declined seasonally in August, but in the Suburbs the decline included both employed and unemployed workers. As a result of a 9,600 person decline in the labor force and a 3,100 reduction in the pool of unemployed, the Suburban unemployment rate dropped 0.2 percentage point to a very low 2.6 percent—drawing the pool of available Suburban workers even tighter.

Unemployment Rates in the Washington, D.C., MSA by City and County

	August[a] 1987	July[b] 1987	August 1986
District of Columbia	6.1	6.0	7.6
Calvert County	3.9	4.6	3.4
Frederick County	3.5	3.8	2.6
Prince Georges Co.	3.3	2.6	3.2
Charles County	3.0	3.3	2.7
Alexandria	2.9	2.6	3.0
Stafford County	2.8	2.9	2.2
Montgomery County	2.4	3.6	2.3
Prince William Co.	2.3	2.3	2.4
Fairfax County	2.2	2.3	2.5
Arlington County	2.2	2.2	2.5
Loudoun County	2.1	2.3	2.1
Manassas	2.1	1.9	2.3
Falls Church	2.0	2.2	2.9
Fairfax	1.9	2.2	2.4
Manassas Park	1.9	2.2	2.4

a. Preliminary.
b. Revised.

Source: Department of Employment Services, Maryland Department of Employment and Training, and the Virginia Employment Commission.

Over the year (August 1986 to August 1987), Suburban jurisdictions added 65,100 new workers to the Area labor pool, 98 percent of whom found work. Still, the number of unemployed increased slightly—by 1,000. Because the increase in the labor force was

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Employment Status for the Civilian Population
District of Columbia, Washington, D.C. MSA,
and the Suburban Ring, August 1987[a]

	August[b] 1987	July[c] 1987	August 1986	July 1986	Net Change From July 1987	Net Change From August 1986
Washington, D.C.						
Civilian Labor Force	358,400	359,900	341,200	344,700	-1,500	17,200
Total Employed	336,600	338,200	315,400	318,300	-1,600	21,200
Total Unemployed	21,800	21,800	25,800	26,400	—	-4,000
Unemployment Rate[d]	6.1	6.0	7.6	7.7	0.1	-1.5
Suburban Ring						
Civilian Labor Force	1,791,100	1,800,700	1,726,000	1,736,900	-9,600	65,100
Total Employed	1,744,300	1,750,600	1,680,300	1,686,900	-6,300	64,000
Total Unemployed	46,800	49,900	45,800	50,000	-3,100	1,000
Unemployment Rate[d]	2.6	2.8	2.7	2.9	-0.2	-0.1
Washington, D.C. MSA						
Civilian Labor Force	2,149,500	2,160,600	2,067,200	2,081,600	-11,100	82,300
Total Employed	2,080,900	2,088,800	1,995,700	2,005,200	-7,900	85,200
Total Unemployed	68,600	71,700	71,600	76,400	-3,100	-3,000
Unemployment Rate[d]	3.2	3.3	3.5	3.7	-0.1	-0.3

a Detail may not add to the totals due to independent rounding.
b. Preliminary.
c. Revised.
d. Seasonally unadjusted.

Estimated Labor Force and Employment for the Washington Metropolitan Area includes the District of Columbia; the Virginia cities of Alexandria, Fairfax, Falls Church, Manassas and Manassas Park; the Virginia Counties of Fairfax, Arlington, Prince William, Loudoun, and Stafford; and the Maryland Counties of Montgomery, Prince Georges, Charles, Frederick, and Calvert.

Source: Prepared by the Department of Employment Services, Labor Market Information and Research Staff in cooperation with the Virginia Employment Commission, Maryland Department of Employment and Training, and the U.S. Bureau of Labor Statistics.

Continued from page 3

relatively larger than the increase of unemployed, the Suburban unemployment rate actually decreased a tenth of a percentage point.

When labor market activity in the District and its Suburbs are combined, the total Washington Area economy showed small seasonal declines in labor force, employment and unemployment in August.

Compared to August of last year, the number of unemployed Area residents decreased. The District accounted for all of the Area's decline. Although the District represents only about 17 percent of the

Continued on page 5

Labor Force Distribution
Washington Metropolitan Area
August 1986 & August 1987
(Percent)

	Labor Force	Employment	Unemployment
	August 1987		
Area	100.0	100.0	100.0
District	16.7	16.2	31.8
Suburbs	83.3	83.8	68.2
	August 1986		
Area	100.0	100.0	100.0
District	16.5	15.8	36.0
Suburbs	83.5	84.2	64.0

Characteristics of the Insured Unemployed

The number of individuals receiving unemployment insurance (UI) benefits totalled 9,171 in August 1987—down 588 from July. In August, 55 percent of all UI recipients were male. Occupationally, both clerical and sales, and professional, technical, and managerial workers comprised 25 percent of the August claimants. This was followed by service workers at 24 percent. The median duration of the current spell of insured unemployment was 10.0 weeks for all claimants—up from 9.9 weeks in July.

Over the month, the duration for males remained unchanged at 10.2 weeks, while that for females increased from 9.2 to 9.7 weeks. In August 1986, the average duration for males was 10.2 weeks and 10.0 weeks for females.

Continued from page 4

Area labor force, it accounted for nearly 25 percent of the increase in Area employment. Thus, much of the recent Area's strength is the direct result of improvements in the labor force status of District residents. As a result, the Area's economy is moving towards an equitable distribution of employment and unemployment between its central city and its suburbs.

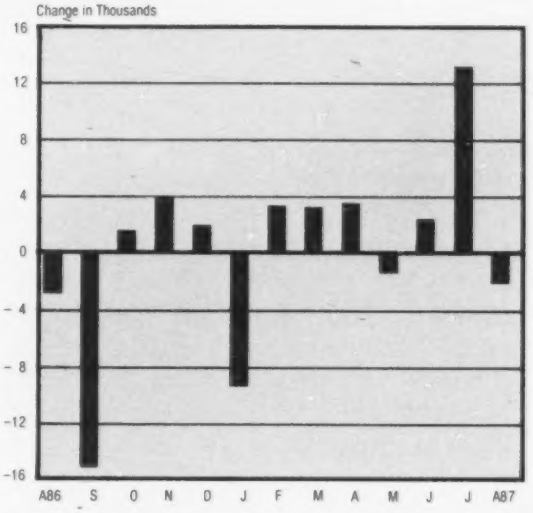
In August, if District residents held an additional 0.5 percent of the Area's 2,080,900 employment level (only 11,400 more District residents with jobs), then the Area would have achieved a fully equitable distribution of both employment and unemployment. Not an overly significant adjustment for an economy as large and diverse as that of the Washington Area.

Job Growth

The District

The number of jobs in the District declined seasonally by 2,000 between July and August. Losses were fairly equally distributed between the private and public sector. In the private sector, Services was responsible for 73 percent of the decline with a loss of 800 jobs resulting from seasonal reductions in Hotels (600 jobs) and Membership Organizations (600 jobs). The public sector lost 900 jobs with a seasonal decrease in Federal Government (1,100 jobs).

Monthly Job Growth
The District
August 1986-August 1987



Over the year (August 1986 to August 1987), the number of District jobs rose by 0.8 percent for a gain of 5,500 jobs. The private sector grew at a rate of 2.4 percent, gaining 9,100 jobs. Services accounted for two-thirds of this growth with the leaders in job

Continued on page 7

Wage and Salary Employment by Industry and Place of Work[a] (in thousands)

	District of Columbia			Metropolitan Area		
	August 1987[b]	July 1987[c]	August 1986	August 1987[b]	July 1987[c]	August 1986
Total	**660.0**	**662.0**	**654.5**	**2,057.1**	**2,063.9**	**2,003.9**
Total Private Sector	383.4	384.3	374.3	1,495.2	1,499.4	1,448.5
Total Government	276.7	277.6	280.2	561.9	564.5	555.4
INDUSTRY						
Manufacturing	**15.8**	**15.6**	**15.5**	**85.6**	**85.4**	**85.2**
Total Durables	N/A	N/A	N/A	41.7	41.8	41.9
Stone, Clay, Glass and Concrete Products	N/A	N/A	N/A	3.4	3.4	3.4
Electrical & Electronic Machinery, Equip. & Sup.	N/A	N/A	N/A	21.5	21.6	22.9
All Other Durables	N/A	N/A	N/A	16.8	16.8	15.6
Total Non-Durables	N/A	N/A	N/A	43.9	43.6	43.4
Food & Kindred Products	N/A	N/A	N/A	5.6	5.5	5.4
Printing & Publishing	11.9	11.7	11.7	31.3	31.0	30.8
All Other Non-Durables	N/A	N/A	N/A	7.0	7.1	7.1
All Other Manufacturing	4.0	3.9	3.8	N/A	N/A	N/A
Mining	**0.1**	**0.1**	**0.1**	**0.9**	**0.9**	**1.0**
Construction	**14.9**	**14.6**	**13.9**	**129.6**	**129.9**	**126.2**
Transportation, Communications and Public Utilities	**25.0**	**25.0**	**24.7**	**100.4**	**100.4**	**95.2**
Railroad	N/A	N/A	N/A	5.1	5.1	4.8
Transportation (except Railroad)	N/A	N/A	N/A	44.3	44.4	41.2
All Transportation	9.6	9.7	9.5	N/A	N/A	N/A
Communication and Public Utilities	15.4	15.3	15.2	51.0	51.0	49.2

Continued from page 5

creation being Hotels (1,600 jobs) and Legal Services (1,200 jobs). Service sector growth was also significant in Health Services (900 jobs), All Other Services (900 jobs) and Business Services (800 jobs). Trade and Construction contributed 1,300 and 1,000 jobs, respectively. The public sector declined by 1.2 percent over the year as a sizable loss in Federal Government (3,800 jobs) was partially offset by growth in State and Local Government (300 jobs).

The Suburbs

The number of suburban jobs declined by 0.4 percent for a loss of 4,800 jobs. The private sector accounted for 65 percent of the decrease with losses in Services (1,400 jobs), Trade (1,200 jobs) and Construction (600 jobs). The Maryland Suburbs were entirely responsible for the reductions in Services and Construction and also accounted for 75 percent of the jobs lost in

(continued)

Wage and Salary Employment by Industry and Place of Work[a] (in thousands)

	District of Columbia			Metropolitan Area		
	August 1987[b]	July 1987[c]	August 1986	August 1987[b]	July 1987[c]	August 1986
Trade	**63.6**	**63.7**	**62.3**	**414.4**	**415.7**	**399.8**
Wholesale	8.9	8.9	9.1	77.5	77.6	74.0
Retail	54.7	54.8	53.2	336.9	338.1	325.8
General Merchandise	4.2	4.1	4.7	38.5	38.7	37.4
Food	N/A	N/A	N/A	46.2	46.2	46.6
Automotive	N/A	N/A	N/A	38.6	38.7	37.4
Apparel & Accessories	N/A	N/A	N/A	24.9	24.9	23.8
Eating & Drinking Places	26.8	27.0	25.5	108.0	108.9	103.6
All Other Retail	23.7	23.7	23.1	80.6	80.7	76.8
Finance, Insurance and Real Estate	**36.7**	**37.1**	**36.4**	**122.0**	**122.5**	**117.2**
Banking	7.0	7.2	7.3	21.9	21.9	22.0
All Other	29.7	30.0	29.1	100.2	100.5	95.2
Services	**227.3**	**228.1**	**221.3**	**642.3**	**644.5**	**623.8**
Hotels & Lodging Places	14.7	15.3	13.1	32.7	33.4	31.0
Personal Services	4.0	4.0	4.1	23.7	23.8	22.8
Business Services	50.2	49.9	49.4	N/A	N/A	N/A
Health Services	33.9	33.9	33.0	N/A	N/A	N/A
Legal Services	24.4	24.6	23.2	N/A	N/A	N/A
Membership Organizations	30.4	31.0	29.8	N/A	N/A	N/A
All Other Services	69.6	69.4	68.7	585.9	587.4	570.0
Government	**276.7**	**277.6**	**280.2**	**561.9**	**564.5**	**555.4**
Federal	208.7	209.8	212.5	355.4	357.0	356.6
State & Local	N/A	N/A	N/A	206.4	207.5	198.9
State & Local (ex. Pub. Transportation)	63.2	63.1	62.9	N/A	N/A	N/A
Public Transportation	4.8	4.8	4.8	N/A	N/A	N/A

a. Detail may not add to totals due to independent rounding. b. Preliminary. c. Revised.

Data includes all full- and part-time employees who worked during or received pay for any part of the pay period which includes the 12th of the month. Proprietors, self-employed, unpaid family workers, and private household workers are excluded.

Source: Prepared by the Department of Employment Services, Labor Market Information & Research Staff in cooperation with the Virginia Employment Commission, Maryland Department of Employment and Training, and the U.S. Bureau of Labor Statistics.

Trade. A public sector loss of 1,700 jobs resulted from declines in Federal Government (500 jobs) and State and Local Government (1,200 jobs). Federal reductions occurred primarily in the Maryland Suburbs, while the Virginia Suburbs were responsible for the decrease in State and Local Government.

Over the year (August 1986 to August 1987), Suburban jobs grew at a rate of 3.5 percent for a gain of 47,000 jobs. The Virginia Suburbs grew at a rate of 3.8 percent while the Maryland Suburbs increased by 3.3 percent, respectively, accounting for 52 and 48 percent of the new jobs created. The private sector accounted for 79 percent of the growth, which was concentrated primarily in Trade (13,300 jobs) and Services (12,500 jobs). A majority of the Trade growth occurred in the Maryland Suburbs (56 percent), while the Virginia Suburbs were responsible for 56 percent of the Services growth. Sixty-

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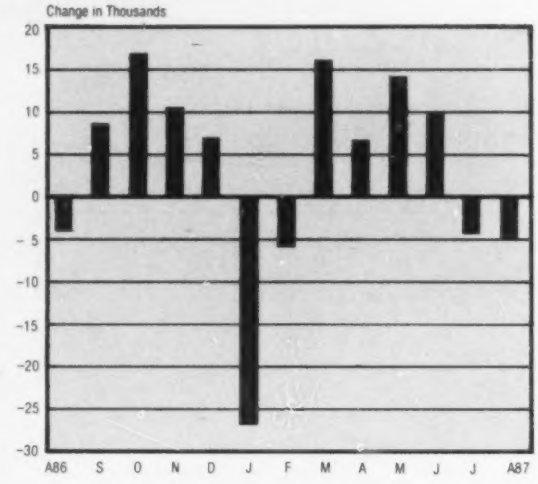
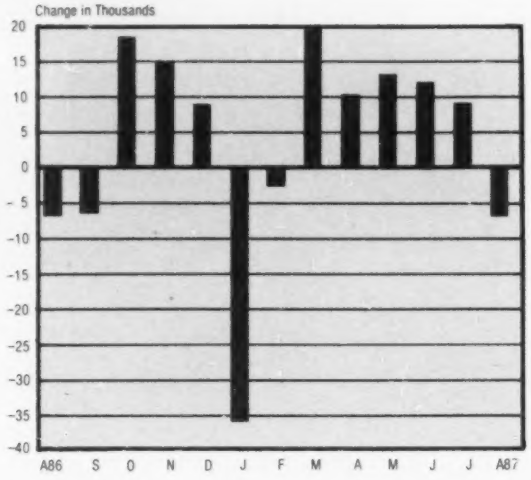
Monthly Job Growth
The Suburbs
August 1986-August 1987



Monthly Job Growth
The Area
August 1986-August 1987



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four percent of the growth in Transportation, Communications and Public Utilities (4,900 jobs) and Finance, Insurance and Real Estate (4,500 jobs) occurred in the Virginia Suburbs, while the Maryland Suburbs were responsible for a majority of the 2,400 jobs gained in Construction. Public sector growth of 10,000 jobs was fairly equally divided between the two suburban areas, with the Virginia Suburbs accounting for 77 percent of the increase in Federal Government (2,600 jobs) and the Maryland Suburbs responsible for 57 percent of the growth in State and Local Government (7,200 jobs).

The Area

The Washington Metropolitan Area lost 6,800 jobs between July and August for a 0.3 percent decrease, with 62 percent of this seasonal job loss occurring in the private sector. Services and Trade were responsible for 83 percent of the private sector decline with losses of 2,200 jobs and 1,300 jobs, respectively. The public sector decreased by 0.5 percent over the month with declines in both Federal Government (1,600 jobs) and State and Local Government (1,100 jobs).

Over the year (August 1986 to August 1987), the Area grew at a rate of 2.7 percent, adding 53,200 new jobs. The private sector accounted for 88 percent of the growth with 46,700 jobs created and a 3.2 percent rate of growth. The leading job contributors, Services (18,500 jobs) and Trade (14,600 jobs), were responsible for 71 percent of private sector growth. Significant growth was also registered in Transportation, Communications and Public Utilities (5,200 jobs) and Finance, Insurance and Real Estate (4,800 jobs) which recorded annual growth rates of 5.5 and 4.1 percent, respectively.

The public sector gained 6,500 jobs over the year for a growth rate of 1.2 percent as reductions in Federal Government (1,200 jobs) were offset by gains in State and Local

Government (7,500 jobs). Federal Government losses were confined to the District, which now accounts for 59 percent of Area federal jobs while the Suburbs accounted for 96 percent of State and Local Government growth and 67 percent of total State and Local Government jobs.

Area Job Growth Rates

Over the past 34 months (October 1984 to August 1987), the Washington Area has created new jobs at a rate of 4.7 percent. Measured by monthly over-the-year changes, however, the rate of growth has been steadily declining after peaking at 6.8 percent in December of 1984. Between August 1986 and August 1987, the Area's job growth slowed to 2.7 percent.

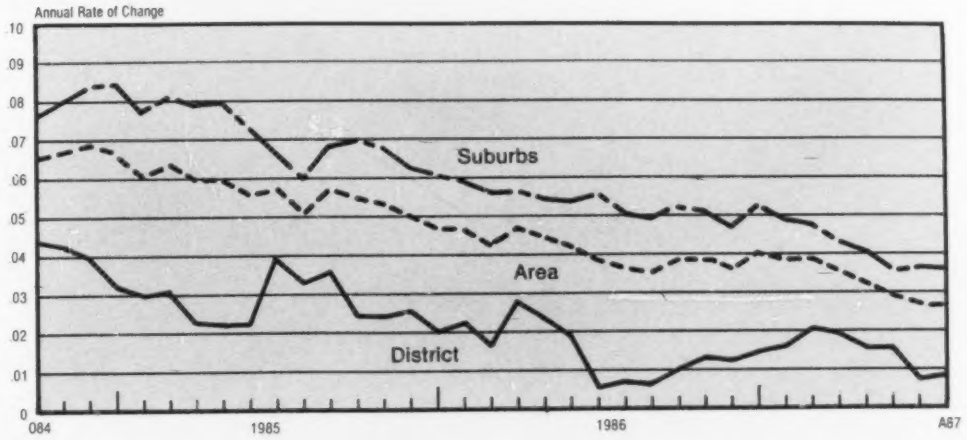
The suburban portion of the Area is still the generator of most of the new jobs, having grown over the past year at a rate of 3.5 percent, but below its 34-month long-term average of 6.0 percent. The over-the-year growth this August was the lowest during the 34-month span for the Area and the Suburbs. Over the past year, the District proper has added new jobs at a rate of 0.8 percent and, like the Suburbs, below its 34-month average of 2.2 percent.

Profile of Job Growth Rates
October 1984 to August 1987

The Area	
Average 34 months	4.7%
High, December 1984	6.8%
Low, July 1987	2.7%
Current month	2.7%
The Suburbs	
Average 34 months	6.0%
High, January 1985	8.4%
Low, June 1987	3.5%
Current month	3.5%
The District	
Average 34 months	2.2%
High, October 1984	4.4%
Low, July 1986	0.5%
Current month	0.8%

Continued on page 15 ***(see Growth)***

Monthly Over-the-Year Rate of Job Growth
October 1984 to August 1987



District Labor Force Profile

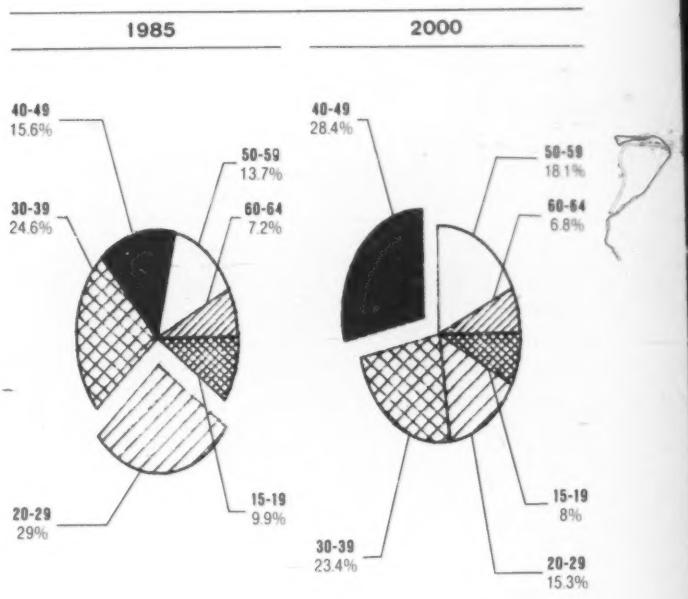
The Working Age Population in the Year 2000

Between 1985 and the year 2000, the working age population of the District will mature significantly. At the turn of the century, over half of the population which traditionally supplies most of the workers will be between the ages of 30 and 49. By contrast, in 1985, 53.6 percent of the D.C. working age population was between 20 and 39.

All of the persons who will be in the labor force in the year 2000 have already been born. Thus, this LMIR projection is simply an aging of the D.C. Planning Office's *1985 Provisional Population Estimates*. The projection assumes a stable population and does not contain adjustments for "in" and "out" migration, nor for mortality rates.

From a labor market point of view, the demographics signal lower unemployment rates over the next 15 years. Traditionally, youth and young adults comprise most of the unemployed (except during recessionary periods). On the other hand, it also indicates that the supply of new entry-level workers will be very scarce. For example in 1985, there were nearly 62,000 young people in the District age 20 to 24. In the year 2000, 20-24 year olds will number only 36,000—a decline of 40 percent. This means that employers will have to develop new incentives to attract more mature workers for lower paying jobs usually filled by younger workers. Thus, entry-level jobs will probably pay higher wages, offer better fringe benefits, flexible hours, expanded day care arrangements, and travel subsidies. There will also be strong pressure to increase the supply of new workers through immigration from the less-developed nations.

Working Age Population
1985 & 2000



With the average age of workers being 40 at the turn of the century, it also means that a large number of workers of relatively equal age will be seeking a limited number of the better-paying jobs. Competition at work will be very intense. Dissatisfaction in the work place will become common and employers will be forced to give expanded attention to programs to improve the quality and satisfaction of work.

Over the next 15 years, public policy will also have to give greater attention to training and retraining a more mature population in response to economic dislocations and technological advances.

The teenage population in the District will fall by 12,000 between 1985 and 1995, but

Working Age Population
District of Columbia
1985-2000

Age	1985	1990	1995	2000
Persons Working				
15-19	44,300	36,900	32,500	36,100
20-24	61,900	44,300	36,900	32,500
25-29	**67,600**	61,900	44,300	36,900
30-34	61,300	**67,600**	61,900	44,300
35-39	48,400	61,300	**67,600**	61,900
40-44	38,800	48,400	61,300	**67,600**
45-49	30,700	38,800	48,400	61,300
50-54	29,200	30,700	38,800	48,400
55-59	32,000	29,200	30,700	33,800
60-64	32,200	32,000	29,200	30,700
Total	**446,400**	**451,100**	**451,600**	**453,500**
Percentage Distribution				
15-19	9.9	8.2	7.2	8.0
20-24	13.9	9.8	8.2	7.2
25-29	**15.1**	13.7	9.8	8.1
30-34	13.7	**15.0**	13.7	9.8
35-39	10.8	13.6	**15.0**	13.6
40-44	8.7	10.7	13.6	**14.9**
45-49	6.9	8.6	10.7	13.5
50-54	6.5	6.8	8.6	10.7
55-59	7.2	6.5	6.8	7.5
60-64	7.2	7.1	6.5	6.8
Total	**100.0**	**100.0**	**100.0**	**100.0**

Source: Department of Employment Services, Labor Market Information Staff. Based on *1985 Provisional Population Estimates* prepared by D.C. Office of Planning, July 1986.

will increase for the following five years. This future contraction of younger workers follows an already large decline of 18,000 District teenagers between 1980 and 1985. This means that, in the future, the smaller supply of younger workers needs to be well educated and trained to prevent critical bottlenecks from developing in the availability of higher skilled workers, such as engineers, scientists, technicians and craftsmen.

So the demographics of the future indicate a shift to the problems associated with a much more mature labor force and a scarcity of workers for all jobs that have been traditionally filled by younger workers.

Unemployment Rates

Metropolitan Areas

In July 1987, the Bureau of Labor Statistics ranked 269 Metropolitan Statistical Areas (MSAs) by preliminary unemployment rates. Historically, the Washington Area's unemployment rate rises between June and July. Most of the rise is traceable to a huge influx of youths into the labor force following the closing of schools. This July the rate remained unchanged at 3.4 percent. This was the thirty-first lowest rate of all 269 Areas reporting. A year ago, the rate was 3.7 percent. Much of this year's sucess is attributable to the Mayor's Summer Youth Program which recorded 17,107 jobs in July.

Comparing the Washington Area with other large metropolitan areas nationwide, the Washington Area's rate at 3.4 percent was the second lowest recorded for all major metropolitan areas. The Boston Area had the lowest rate at 2.2 percent. A year ago, the Boston rate was 3.3 percent. The Baltimore Area, only 35 miles north of Washington, recorded a July rate of 4.5 percent, unchanged from June. A year ago, it was 5.0 percent. The Richmond-Petersburg Area, 110 miles to the south of Washington, had a July jobless rate of 3.7 percent, down from 4.2 percent in June. A year ago, it was 4.5 percent.

States

When the District of Columbia (with a July preliminary unemployment rate of 6.2 percent) was ranked with the 50 states, the Dis-

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trict had the twenty-second highest jobless rate in the country. This was one notch below the June standing. Virginia's rate at 4.3 percent was down from 4.6 percent in June. Maryland's rate was unchanged at 4.2 percent in July. Virginia and Maryland ranked forty-first and forty-second, respectively, in the standing of the 51 jurisdictions.

Thirty-one states reported rates at or below the national unadjusted rate of 6.1 in July. The District of Columbia's rate, at 6.2 percent, was above by a small fraction. Maryland and Virginia were below the national rate.

Of the states reporting over-the-year decreases in unemployment rates for July, 29 states and the District of Columbia had declines of 1 percentage point or more. The largest decreases were in Mississippi (3.4 points) and Louisiana (3.3 points).

Massachusetts and New Hampshire, both at 2.6 percent, had the lowest unemployment rates for July. Vermont (3.2 percent) and Delaware and Connecticut (both 3.4 percent) reported the next lowest rates. Louisiana, at 10.7 percent, was the only state with a rate in double digits. Alaska, Mississippi, and West Virginia (all 9.7 percent) had the next highest unemployment rates.

Unemployment Rates in Selected Cities*

City	July 1987*	July 1986
1. Gary, Indiana	14.3	16.3
2. Detroit, Michigan	14.1	14.0
3. Houston, Texas	9.9	11.8
4. St. Louis, Missouri	9.9	9.7
5. New Orleans, Louisiana	9.5	11.5
6. Newark, New Jersey	9.5	11.9
7. Birmingham, Alabama	9.0	11.1
8. Cleveland, Ohio	9.0	11.6
9. Chicago, Illinois	8.3	9.3
10. Dayton, Ohio	8.2	9.7
11. Miami, Florida	7.7	9.4
12. Dallas, Texas	7.7	6.7
13. Buffalo, New York	7.5	10.1
14. Los Angeles, California	7.4	9.1
15. Cincinnati, Ohio	7.1	8.0
16. Baltimore, Maryland	6.8	7.7
17. Atlanta, Georgia	6.6	7.4
18. Philadelphia, Pennsylvania	6.6	6.7
19. Pittsburgh, Pennsylvania	6.5	6.9
20. District of Columbia	**6.2**	**7.7**
21. Milwaukee, Wisconsin	6.1	7.7
22. Salt Lake City, Utah	6.1	5.8
23. New York, New York	6.0	7.9
24. Columbus, Ohio	5.3	6.3
25. San Francisco, California	4.9	6.7
26. Boston, Massachusetts	3.0	4.4

*Preliminary unemployment rates.

Cities

In comparison with 25 selected central cities, the District of Columbia (with a preliminary rate of 6.2 percent) had the twentieth lowest jobless rate. This was down one notch from the June position at twenty-first. In July, the average unemployment rate of all 26 cities was 7.8 percent. Of the 26 cities, 22 reported lower jobless rates and four reported higher rates. Eleven (11) of the selected cities have jobless rates of 7.0 or less. Both the District of Columbia and Baltimore fall under this category.

The District's rate normally is much higher than the Baltimore rate. But in May, June and July, the trend reversed itself. In July, the former was 6.2 percent while the latter was 6.8 percent. Double digit jobless rates were reported in only two selected cities—Gary (14.3 percent) and Detroit (14.1 percent). Boston had the lowest rate at 3.0 percent, followed by San Francisco at 4.9 percent. The largest over-the-year declines in joblessness were in Cleveland and Buffalo, both at 2.6 percentage points. Over-the-year, Dallas reported a 1.0 percentage point increase.

Departments

Unemployment Insurance Activities

Claims taken for unemployment benefits in August 1987 amounted to 2,890, approximately 18 percent below July, and 7 percent below August of last year. This is the second lowest level of claims filed this year, with the low point coming in May (2,275 claims). The lowest month last year was November.

There were 35,230 idle weeks actually compensated in August, compared to 35,960 in July—a two percent drop. As was the case for initial claims for benefits, the total dollar outlay in August was the second lowest for the year—at $6.12 million. The record low outlay for the year was also in May, with $5.8 million in benefits accrued to former workers in the District.

The average weekly benefit amount peaked in June this year, at $178.16. It has dropped each month since then to $175.31 in August. This is an apparent signal that this measure has, or is about to be, stabilized. The average weekly payout in August 1986 was $164.37.

The total outlay for compensation through August this year is $52.6 million. This compares to $49.6 million expended through August of 1986—a six percent increase this year. The weeks compensated to date totalled 309,480—a 2.4 percent rise from last year's eight-month total through August.

Annual Pay in the District

The annual average pay for persons working in the District of Columbia in 1986 was $27,137. This was $7,171 more than the average American worker, and $8,165 and $7,016 more than workers in Virginia and Maryland, respectively.

Between 1985 and 1986, District workers' wages and salaries increased only 3.7 percent, as compared to 4.0 percent for all American workers. When ranked with the 50 states, the District, with an average income of $27,137, was second only to Alaska with $28,442. Twenty-three states, including Virginia (3.9 percent), ranked above the District in increases in wage and salary growth. In 1986, wage and salary growth in

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Annual Pay and Percent Change
By Industry in the District
1986

Industry	Pay	% Change 1985-1986
Total	**$27,137**	**3.7**
Private Sector	**24,300**	**6.5**
Mining	56,757	-3.6
Construction	23,229	10.1
Manufacturing	32,751	5.3
Transportation Communications, & Public Utilities	34,468	4.3
Wholesale Trade	31,366	7.4
Retail Trade	12,420	3.8
Finance, Insurance, & Real Estate	28,342	9.1
Services	24,894	6.7
Government	**31,011**	**1.4**

Includes workers covered by the state unemployment insurance and unemployment compensation for federal employees. Preliminary data—annual averages.

Selected Unemployment Insurance Benefit Statistics
(Regular Programs)
District of Columbia
August 1987

	August 1987	July 1987	August 1986	Percent Change From July 1987	Percent Change From August 1986
State UI Program[a]					
Initial Claims Taken	2,735	3,352	2,867	-18.4	- 4.6
Weeks of Unemployment Claimed	34,635	34,530	35,508	+ 0.3	- 2.5
Weeks of Unemployment Compensated	32,635	33,108	33,471	- 1.4	- 2.5
Total Benefits Paid	-$5,671,730	$5,787,672	$5,409,877	- 2.0	+ 4.8
Average Weekly Benefit Payment	$173.79	$174.81	$161.63	- 0.6	+ 7.5
Number of First Payments	1,533	2,069	1,720	-25.9	-10.9
Number of Final Payments	900	968	943	- 7.0	- 4.6
Total Beneficiaries	9,168	9,423	9,859	- 2.7	- 7.0
Federal Program[b]					
Initial Claims Taken	112	113	168	- 0.9	-33.3
Weeks of Unemployment Claimed	2,307	2,373	2,743	- 2.8	-15.9
Weeks of Unemployment Compensated	2,203	2,416	2,796	- 8.8	-21.2
Total Benefits Paid	$432,719	$486,938	$542,121	-11.1	-20.2
Average Weekly Benefit Payment	$196.42	$201.55	$193.89	- 2.5	+ 1.3
Number of First Payments	90	115	147	-21.7	-38.8
Number of Final Payments	87	80	73	+ 8.8	+19.2
Total Beneficiaries	617	664	793	- 7.1	-22.2
Ex-Servicepersons Program[c]					
Initial Claims Taken	40	49	53	-18.4	-24.5
Weeks of Unemployment Claimed	455	520	555	-12.5	-18.0
Weeks of Unemployment Compensated	388	434	458	-10.6	-15.3
Total Benefits Paid	$70,962	$82,538	$84,590	-14.0	-16.1
Average Weekly Benefit Payment	$182.89	$190.18	$184.69	- 3.8	- 1.0
Number of First Payments	34	44	34	-22.7	0.0
Number of Final Payments	24	37	29	-35.1	-17.2
Total Beneficiaries	122	142	145	-14.1	-15.9
Total—All Programs					
Initial Claims Taken	2,887	3,514	3,088	-17.8	- 6.5
Weeks of Unemployment Claimed	37,397	37,423	38,806	- 0.1	- 3.6
Weeks of Unemployment Compensated	35,226	35,958	36,725	- 2.0	- 4.1
Total Benefits Paid	$6,175,411	$6,357,148	$6,036,588	- 2.9	+ 2.3
Average Weekly Benefit Payment	$175.31	$176.79	$164.37	- 0.8	+ 6.7
Number of First Payments	1,657	2,228	1,901	-25.6	-12.8
Number of Final Payments	1,011	1,085	1,045	- 6.8	- 3.3
Total Beneficiaries	9,907	10,229	10,797	- 3.1	- 8.2

a. Includes joint claims with Unemployment Compensation for Federal Employees (UCFE), and/or Unemployment Compensation for Ex-Servicepersons (UCX).
b. Includes joint claims with Unemployment Compensation for Ex-Servicepersons (UCX).
c. No joint claims.

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the private sector increased from 4.4 percent to 6.5 percent. On the other hand, Government reported a decline in wage and salary growth, down from 4.2 percent in 1985 to 1.4 percent in 1986.

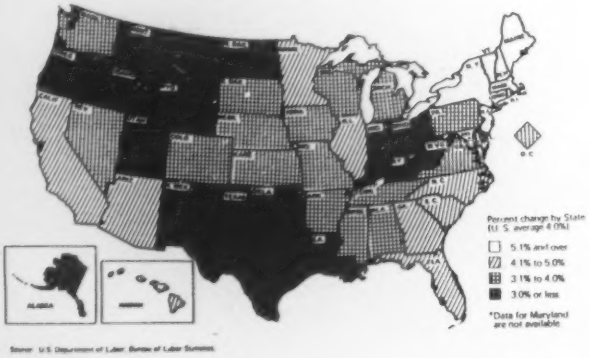
The Construction Industry seems to be rebounding. The highest increase for workers

Annual Average Pay
1986

	Total	Private	Gov't.
United States	$19,966	$19,746	$21,083
District of Columbia	27,137	24,300	31,011
Maryland	20,121	19,275	23,687
Virginia	18,264	18,326	21,582

in the District of Columbia was in construction—up by 10.1 percent. The average construction worker across the country, in 1986, earned $22,190 versus $23,229 in the District.

Percent Change in Average Annual Pay from 1985 to 1986 by State



Source: U.S. Department of Labor, Bureau of Labor Statistics

After being first for three consecutive years, Finance, Insurance and Real Estate (F.I.R.E.) was second in wages and salary growth (9.1 percent). Wholesale Trade was up 7.4 percent, while Services increased 6.7 percent. Surprisingly, Mining (principally highly-paid government relations staff) decreased by 3.6 percent in 1986.

Hours and Earnings in Manufacturing

Total Manufacturing Average Weekly Earnings in the Metropolitan Area for the month of August 1987 dropped 39 cents. Average Weekly Hours remained the same, as Average Hourly Earnings went down 1 cent.

Food and Kindred Products reflected a substantial increase due to overtime. Weekly Earnings rose $17.13. Weekly Hours rose 0.8 hour, as the Hourly Earnings went up 20 cents an hour.

The largest over-all decrease occurred in Printing and Publishing. Weekly Earnings were down $11.52, with Weekly Hours dropping 0.3 hours. Less overtime accounted for the decrease.

Stone, Clay and Glass Products had a pay increase, while Electric Machinery Equipment and Supplies had a longer workweek. All Other Durable Goods reflected more business. All Other Non-Durable Goods had a decrease in overtime.

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(Growth)

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Comparative Job Growth Rates
August 1986 to August 1987

U.S.	2.5%
Metropolitan Area	2.7%
District of Columbia	0.8%
Maryland Suburbs	3.3%
Northern Virginia Suburbs	3.8%

In absolute terms, job creation in the Area has declined from 93,100 new jobs produced between August 1984 and August 1985 to 53,200 between August 1986 and this past August. Over the past year, 47,700 new jobs were added to the suburban economy and 5,500 in the District. Still, the Washington Area is currently creating new jobs at a slightly faster pace that the U.S. economy (2.7 percent versus 2.5 percent for the Nation).

Earnings of Production Workers in Manufacturing
Washington Metropolitan Area
August 1987

	Average Weekly Earnings			Average Weekly Hours			Average Hourly Earnings		
	August 1987	July 1987	August 1986	August 1987	July 1987	August 1986	August 1987	July 1987	August 1986
Total Manufacturing	**412.93**	**413.32**	**401.56**	**38.7**	**38.7**	**38.5**	**10.67**	**10.68**	**10.43**
Durable Goods	**409.12**	**401.47**	**374.00**	**41.2**	**40.8**	**40.0**	**9.93**	**9.84**	**9.35**
Stone, Clay & Glass Products	448.58	456.30	448.34	42.6	45.0	46.8	10.53	10.14	9.58
Electric Machinery, Equipment & Supplies	452.08	441.22	414.00	40.4	39.5	41.4	11.19	11.17	10.00
Other Durbable Goods	366.80	355.59	328.24	41.4	40.5	37.3	8.86*	8.78	8.80
Non-Durable Goods	**415.37**	**423.61**	**428.09**	**36.5**	**36.9**	**37.0**	**11.38**	**11.48**	**11.57**
Food & Kindred Products	460.69	443.56	471.60	38.2	37.4	39.3	12.06	11.86	12.00
Printing & Publishing	435.78	447.30	456.96	35.2	35.5	35.7	12.38	12.60	12.80
Other Non-Durable Goods	333.52	351.46	338.24	39.8	41.3	40.9	8.38	8.51	8.27

Total Production Workers	**August 1987**	**July 1987**	**August 1986**
	41,900	**42,300**	**42,100**

*Break taken in series between December 1986 and January 1987, data not comparable to previous years.

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